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**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB DOCKET NO. AB-1043 (Sub-No. 1)

**MONTREAL, MAINE & ATLANTIC RAILWAY, LTD –
DISCONTINUANCE OF SERVICE AND ABANDONMENT –
IN AROOSTOOK AND PENOBSBOT COUNTIES, MAINE**

**CONDITIONAL WITHDRAWAL OF OPPOSITION
AND STATEMENT OF SUPPORT
FOR THE JOINT PETITION FOR APPROVAL OF SETTLEMENT
SUBMITTED BY
IRVING WOODLANDS LLC AND IRVING FOREST PRODUCTS, INC.**

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*Attorneys for Irving Woodlands LLC and
Irving Forest Products, Inc.*

December 15, 2010

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SUBMITTED BY
IRVING WOODLANDS LLC AND IRVING FOREST PRODUCTS, INC.**

Irving Woodlands LLC and Irving Forest Products, Inc. (collectively, “Irving”) hereby conditionally withdraw their opposition to and protest of the abandonment application of the Montreal, Maine & Atlantic Railway, Ltd. (“MMA”) as specified below. Additionally, Irving hereby notifies the Surface Transportation Board (“Board” or “STB”) of Irving’s support for the proposed settlement of this proceeding, based on the sale to the State of Maine of the MMA rail lines at issue in this abandonment proceeding and the other terms reached between MMA and the State of Maine, as described in their joint filings submitted to the Board on October 20, 2010 and December 9, 2010.

As stated in the Joint Petition filed by MMA and the State of Maine on December 9th, the State of Maine plans to purchase the rail lines proposed for abandonment for the purpose of continuing rail service to shippers in Northern Maine whose facilities access the rail lines. See Joint Petition at page 3. The closing of this transaction is expected to occur by December 31,

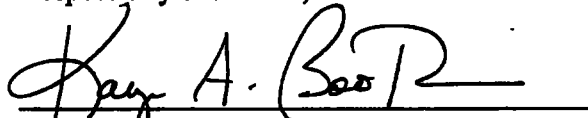
2010. Id. at page 2. Furthermore, MMA has agreed to grant certain trackage and interchange rights to the new rail operator to be selected by the State, which agreements are not yet finalized. Id. at pages 6-7.

Because the sale of the subject rail lines from MMA to the State of Maine has not yet occurred, and related agreements are not yet completed, Irving's withdrawal of its opposition to and protest of the proposed MMA abandonment is "conditional" Additionally, the State of Maine itself has made withdrawal of its own opposition to the proposed abandonment conditional upon MMA's fulfillment of its closing obligations and issuance by the Board of an order approving the abandonment. See Joint Petition at pages 7-9. Should the State of Maine determine at any time to resume its opposition to MMA's proposed abandonment, then Irving reserves the right to once again oppose the proposed abandonment.

Accordingly, Irving requests that the Board enter the order requested by MMA and the State of Maine, as described at pages 8-9 of the Joint Petition. Irving further requests that the Board retain jurisdiction over the transaction proposed between MMA and the State of Maine, such that the Board would fully consider all aspects of MMA's proposed abandonment on the merits, and all filings relating thereto, in the event that MMA fails or refuses to close for

described conditions within its control or responsibility. See pages 7-8 of the Joint Petition.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Karyn A. Booth", is written over a horizontal line.

Karyn A. Booth

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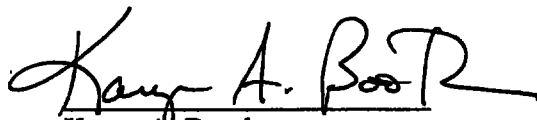
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*Attorneys for Irving Woodlands LLC and
Irving Forest Products, Inc.*

December 15, 2010

CERTIFICATE OF SERVICE

I certify that on this 15th day of December 2010 I caused a copy of the foregoing to be served by e-mail or by first class mail, postage prepaid upon all parties of record.


Karyn A. Booth